

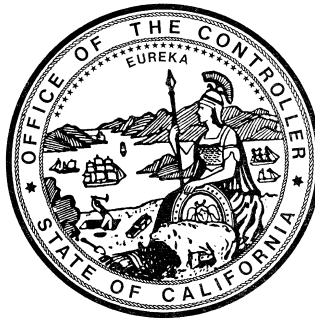
# **SWEETWATER UNION HIGH SCHOOL DISTRICT**

Revised Audit Report

## **NOTIFICATION OF TRUANCY PROGRAM**

Chapter 498, Statutes of 1983

*July 1, 2000, through June 30, 2002*



**STEVE WESTLY**  
California State Controller

October 2005



**STEVE WESTLY**  
**California State Controller**

October 7, 2005

Bruce A. Husson, Superintendent  
Sweetwater Union High School District  
1130 Fifth Avenue  
Chula Vista, CA 91911-2896

Dear Mr. Husson:

The State Controller's Office audited the claims filed by the Sweetwater Union High School District for costs of the legislatively mandated Notification of Truancy Program (Chapter 498, Statutes of 1983) for the period of July 1, 2000, through June 30, 2002.

The district claimed \$501,643 for the mandated program. Our audit disclosed that \$472,974 is allowable and \$28,669 is unallowable. The unallowable costs occurred because the district overstated the number of reimbursable initial truancy notification forms distributed. The district was paid \$285,878. Allowable costs claimed in excess of the amount paid total \$187,096.

This revised final report supersedes our previous final report, issued on October 28, 2004. We revised the report to remove the audit results for fiscal year 1999-2000.

If you disagree with the audit finding, you may file an Incorrect Reduction Claim (IRC) with the Commission on State Mandates (COSM). The IRC must be filed within three years following the date that we notify you of a claim reduction. You may obtain IRC information at COSM's Web site, at [www.csm.ca.gov](http://www.csm.ca.gov) (Guidebook link); you may obtain IRC forms by telephone at (916) 323-3562 or by e-mail at [csminfo@csm.ca.gov](mailto:csminfo@csm.ca.gov).

If you have any questions, please contact Jim L. Spano, Chief, Compliance Audits Bureau, at (916) 323-5849.

Sincerely,

Original Signed By:

**JEFFREY V. BROWNFIELD**  
Chief, Division of Audits

JVB/ams

cc: Dr. Rudy M. Castruita, County Superintendent of Schools  
San Diego County Office of Education  
Scott Hannan, Director  
School Fiscal Services Division  
California Department of Education  
Arlene Matsuura, Educational Consultant  
School Fiscal Services Division  
California Department of Education  
Gerry Shelton, Director  
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California Department of Education  
Jeannie Oropeza, Program Budget Manager  
Education Systems Unit  
Department of Finance

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# Revised Audit Report

## Summary

The State Controller's Office (SCO) audited the claims filed by the Sweetwater Union High School District for costs of the legislatively mandated Notification of Truancy Program (Chapter 498, Statutes of 1983) for the period of July 1, 2000, through June 30, 2002. The last day of fieldwork was October 3, 2003.

The district claimed \$501,643 for the mandated program. The audit disclosed that \$472,974 is allowable and \$28,669 is unallowable. The unallowable costs occurred because the district overstated the number of reimbursable initial truancy notification forms distributed. The district was paid \$285,878. Allowable costs claimed in excess of the amount paid total \$187,096.

## Background

*Education Code* Section 48260.5 (added by Chapter 498, Statutes of 1983) requires school district's, upon a pupil's initial classification as a truant, to notify the pupil's parent or guardian by first-class mail or other reasonable means of (1) the pupil's truancy; (2) that the parent or guardian is obligated to compel the attendance of the pupil at school; and (3) that parents or guardians who fail to meet this obligation may be guilty of an infraction and be subject to prosecution.

Additionally, the district must inform parents and guardians of (1) alternative educational programs available in the district and (2) the right to meet with appropriate school personnel to discuss solutions to the pupil's truancy. A truancy occurs when a student is absent from school without a valid excuse for more than three days or is tardy in excess of 30 minutes on each of more than three days in one school year, according to *Education Code* Section 48260. A student shall be initially classified as truant upon the fourth unexcused absence, after which the school must complete the requirements mandated in *Education Code* Section 48260.5.

On November 29, 1984, the State Board of Control (now the Commission on State Mandates [COSM]) determined that Chapter 498, Statutes of 1983, imposed a state mandate upon school districts reimbursable under *Government Code* Section 17561.

*Parameters and Guidelines* establishes the state mandated and defines reimbursement criteria. COSM adopted the *Parameters and Guidelines* on August 27, 1987, and last amended it on July 22, 1993. In compliance with *Government Code* Section 17558, the SCO issues claiming instructions for mandated programs, to assist local agencies and school districts in claiming reimbursable costs.

## **Objective, Scope, and Methodology**

Our audit objective was to determine whether costs claimed are increased costs incurred as a result of the legislatively mandated Notification of Truancy Program (Chapter 498, Statutes of 1983) for the period of July 1, 2000, through June 30, 2002.

We performed the following procedures.

- Reviewed the costs claimed to determine if they were increased costs resulting from the mandated program;
- Traced the costs claimed to the supporting documentation to determine whether the costs were properly supported;
- Confirmed that the costs claimed were not funded by another source; and
- Reviewed the costs claimed to determine that the costs were not unreasonable and/or excessive.

We conducted our audit according to *Government Auditing Standards*, issued by the Comptroller General of the United States. The SCO did not audit the district's financial statements. We limited our audit scope to planning and performing audit procedures necessary to obtain reasonable assurance that costs claimed were allowable for reimbursement. Accordingly, we examined transactions, on a test basis, to determine whether the amounts claimed for reimbursement were supported.

We limited our review of the district's management controls to gaining an understanding of the transaction flow and claim preparation process as necessary to develop appropriate auditing procedures.

## **Conclusion**

The audit disclosed an instance of noncompliance with the requirements outlined above. This instance is described in the accompanying Summary of Program Costs (Schedule 1) and in the Finding and Recommendation section of this report.

For the audit period, the Sweetwater Union High School District claimed \$501,643 for costs of the Notification of Truancy Program. Our audit disclosed that \$472,974 is allowable and \$28,669 is unallowable.

For FY 2000-01, the district was paid \$104,070 by the State. Our audit disclosed that \$230,744 is allowable. Allowable costs claimed in excess of the amount paid, totaling \$126,674, will be paid by the State based on available appropriations.

For FY 2001-02, the district was paid \$181,808 by the State. Our audit disclosed that \$242,230 is allowable. Allowable costs claimed in excess of the amount paid, totaling \$60,422, will be paid by the State based on available appropriations.

**Views of  
Responsible  
Official**

We issued a draft report on December 5, 2003. Lawrence Hendee, Coordinator/Mandated Costs, Sweetwater Union High School District, responded by letter dated January 12, 2004. The district neither agreed nor disagreed with the finding. The district's response was included in as an attachment in the final report issued October 28, 2004.

**Follow-up  
Correspondence**

In a letter to COSM, dated June 20, 2005, the district questioned our authority to audit the FY 1999-2000 claim because the statute of limitations for initiating an audit had expired. We have two years following the end of the calendar year in which the claim was filed to initiate an audit. The SCO logged in the district's claim on January 16, 2001. Therefore, our audit, initiated on January 15, 2003, was within the statutory period to initiate an audit. However, in response to the district's letter, we reviewed the filed claims and noticed that the claim should have been logged in on December 29, 2000. Consequently, the audit was not started within the statutory time period. Therefore, the audit results for FY 1999-2000 have been removed from this revised final report.

**Restricted Use**

This report is solely for the information and use of the Sweetwater Union High School District, the San Diego County Office of Education, the California Department of Education, the California Department of Finance, and the SCO; it is not intended to be and should not be used by anyone other than these specified parties. This restriction is not intended to limit distribution of this report, which is a matter of public record.

Original Signed By:

JEFFREY V. BROWNFIELD  
Chief, Division of Audits

# Revised Schedule 1— Summary of Program Costs July 1, 2000, through June 30, 2002

Cost Elements	Actual Costs Claimed	Allowable per Audit	Audit Adjustments <sup>1</sup>
<u>July 1, 2000, through June 30, 2001</u>			
Number of truancy notifications	19,155	18,126	(1,029)
Uniform cost allowance	× \$12.73	× \$12.73	× \$12.73
Total costs	<u>\$ 243,843</u>	\$ 230,744	<u>\$ (13,099)</u>
Less amount paid by the State		(104,070)	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 126,674</u>	
<u>July 1, 2001, through June 30, 2002</u>			
Number of truancy notifications	19,969	18,763	(1,206)
Uniform cost allowance	× \$12.91	× \$12.91	× \$12.91
Total costs	<u>\$ 257,800</u>	\$ 242,230	<u>\$ (15,570)</u>
Less amount paid by the State		(181,808)	
Allowable costs claimed in excess of (less than) amount paid		<u>\$ 60,422</u>	
<u>Summary: July 1, 2000, through June 30, 2002</u>			
Total costs	<u>\$ 501,643</u>	\$ 472,974	<u>\$ (28,669)</u>
Less amount paid by the State		(285,878)	
Total allowable costs claimed in excess of (less than) amount paid		<u>\$ 187,096</u>	

<sup>1</sup> See the Finding and Recommendation section.



# Revised Finding and Recommendation

## **FINDING— Overclaimed number of initial truancy notification forms distributed**

The district claimed \$28,669 during the audit period for initial truancy notification forms distributed to a pupil's parent or guardian that were not reimbursable. The pupils did not accumulate the number of unexcused absences necessary to be classified as truant under the mandated program. The audit adjustment is summarized as follows:

	Fiscal Year		
	2000-01	2001-02	Total
Allowable costs per audit	\$ 230,744	\$ 242,230	\$ 472,974
Less actual costs claimed	(243,843)	(257,800)	(501,643)
Audit adjustment	<u>\$ (13,099)</u>	<u>\$ (15,570)</u>	<u>\$ (28,669)</u>

We selected a statistical sample from the total population of pupils claimed as truant for each year based on a 95% confidence level, a precision rate of +/-8%, and an expected error rate of 50%. We used a statistical sample so that the sample results could be projected to the population.

We reviewed truancy notification forms and attendance records for a random sample of 149 pupils claimed as truant in each fiscal year. The forms contained the five specified elements required by the mandate. However, the attendance records showed that various pupils had less than four unexcused absences. Initial truancy notifications for these pupils are unallowable. The number of unallowable truancy notifications identified in the sample, the unallowable percentage, and the projected audit adjustment are summarized below.

	Fiscal Year		
	2000-01	2001-02	Total
Number of unallowable truancy notifications	8	9	
Truant pupils sampled	÷ 149	÷ 149	
Unallowable percentage	(5.37)%	(6.04)%	
Truancy notifications claimed	× 19,155	× 19,969	
Projected unallowable truancy notifications	(1,029)	(1,206)	
Uniform cost allowance	× \$12.73	× \$12.91	
Audit adjustment	<u>\$ (13,099)</u>	<u>\$ (15,570)</u>	<u>\$ (28,669)</u>

*Parameters and Guidelines*, as amended by the Commission on State Mandates on July 22, 1993, specifies that school districts shall be reimbursed for identifying the truant pupils to receive the notification, preparing and distributing by mail or other method the forms to parents/guardians, and associated recordkeeping using a uniform cost allowance. The uniform cost allowance, which was \$10.21 per initial notification of truancy in FY 1992-93, is adjusted each subsequent year by the Implicit Price Deflator.

*Parameters and Guidelines*, as amended by the Commission on State Mandates, allows the district to be reimbursed for claimed costs if the initial truancy notification forms distributed to parents or guardians contain five specified elements. *Education Code* Section 48260.5 was amended by Chapter 1023, Statutes of 1994, (effective January 1, 1995) to require three additional elements. However, since *Parameters and Guidelines* has not been amended, the claimant continues to be reimbursed if it complied with the five specified elements in the guidelines.

*Parameters and Guidelines* states that a truancy occurs when a student is absent from school without valid excuse more than three days or is tardy in excess of 30 minutes on each of more than three days in one school year.

#### Recommendation

We recommend the district claim reimbursement under the Notification of Truancy Program only for truancy notifications applicable to pupils who are absent from school without valid excuse or tardy more than 30 minutes for more than three days in one school year. Although *Education Code* Section 48260(a) (as amended in 1994), defines a truant student as one who is absent from school without valid excuse for three full days in one school year or tardy or absent for more than any 30-minute period during the school day without a valid excuse on three occasions in one school year, or any combination thereof, *Parameters and Guidelines* requires at least four unexcused absences for the pupil to be classified as a reimbursable truant.

In addition, we recommend the district update its initial truancy notification form to include the eight specified elements required by the *Education Code*.

#### District's Response

I have examined the audit dated December 5, 2003. I have no comments regarding the accuracy of the information presented.

This memo should not be understood to waive any rights to recover funding through any administrative or other avenues available to the district.

#### SCO's Comment

The finding remains unchanged.

**Attachment—  
District's Response to  
Draft Audit Report**

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**MANDATED COSTS**  
1130 Fifth Avenue  
Chula Vista CA 91911-2896  
(619) 585-4450

January 12, 2004

Jim Spano, Chief  
Compliance Audits Bureau  
State Controller's Office  
Box 942850  
Sacramento CA 94250-5874

RE: Sweetwater Union High School District  
Chapter 498, Statutes of 1983  
Notification of Truancy Audit

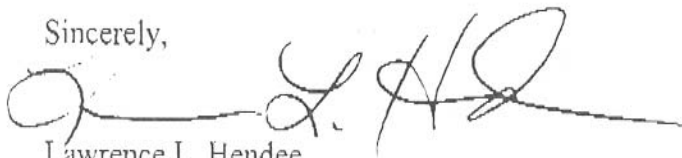
Dear Mr. Spano,

I have examined the audit dated December 5, 2003. I have no comments regarding the accuracy of the information presented.

This memo should not be understood to waive any rights to recover funding through any administrative or other avenues available to the district.

Thank you for the opportunity to respond.

Sincerely,



Lawrence L. Hendee  
Coordinator/Mandated Costs

**State Controller's Office  
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Sacramento, California 94250-5874**

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